



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

March 11, 2009

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MEMORANDUM FOR DIRECTOR, COLLECTION AREA OPERATIONS  
DIRECTOR, ADVISORY, INSOLVENCY AND QUALITY

FROM: Laura Hostelley /s/ Laura Hostelley  
Acting Director, Collection Policy

SUBJECT: Issuing Case Closing Letters in Collection Field Function

The purpose of this memorandum is to provide interim guidance on issuing case closing letters in Collection Field function (CFf).

An analysis of the quarterly Field Collection Customer Satisfaction Surveys reveals that one of the greatest opportunities for improving customer satisfaction is notifying taxpayers of the closure of their active collection investigation.

In FY 2007, CFf piloted a test in five geographically diverse locations in which case closing letters were issued to taxpayers meeting specific conditions (status 12 and Currently Not Collectible (CNC) hardship closures). Subsequent customer satisfaction information gathered from the test groups reflected significantly higher satisfaction ratings than from non-test groups. Feedback from the revenue officers and managers involved in the test was also very positive. Based on those results, we are implementing the case closing letter process throughout the CFf.

Beginning March 30, 2009, case closing letters will be issued to the taxpayer and/or Power of Attorney (POA) when a case is closed as either Status 12 (i.e. full pay, adjustment, credit transfers) or CNC hardship. Case Closing Letters will only be used when the collection investigation on the taxpayer entity is concluded.

[Letter 4222, Notice of Case Resolution](#) has been developed for use in Status 12 closures, while [Letter 4223, Case Closed- Currently Not Collectible](#) is to be used for CNC-Hardship closures.

Attached to this memorandum are procedures that were effective in the test group for implementing this process and may assist you in your Area's implementation. Area offices may implement alternate case closing letter procedures to meet this requirement.

If you have any questions or need additional information, please feel free to contact me or Ken Marek, Program Manager, General Payment Processing and Analysis, or a member of your staff may contact Gary Eisner, Policy Analyst.

Attachment

### **Suggested Case Closing Letter Procedures**

- The case closing letters will be issued on all CNC - hardship closures and Status 12 closures (full pay, adjustments, and credit transfers). These letters are available on the Electronic Publishing web site at: <http://www.publish.no.irs.gov/> .
- Revenue officers will continue to follow current procedures to close Status 12 and CNC – hardship cases on ICS.
- When revenue officers submit a closed case they will annotate in writing the type of closure (Status 12, CNC – hardship) and all tax periods.
- Group managers will verify and/or approve case closure according to current local procedures and practices.
- The group secretary, designated clerical contact, or other designated personnel is responsible for completing and issuing the applicable case closing letter.
- Group managers will provide the group secretary designated clerical contact, or other designated personnel with a list of verified closed cases. The list will include: taxpayer name, taxpayer address, and type of case closure (CNC hardship or Status 12).
- The group secretary, designated clerical contact, or other designated personnel will complete and mail on a weekly basis [Letter 4222, Notice of Case Resolution](#) or [Letter 4223, Case Closed- Currently Not Collectible](#). Both letters are fillable using Adobe Acrobat software. The following information must be provided on the applicable letter:
  - Name
  - Address
  - Taxpayer Identification Number
  - Person to Contact
  - Contact Telephone Number
  - Employee Identification Number
  - Tax Type and
  - Tax Period Ending
- Requisite number of copies of the applicable case closing letter will be printed. At least one should be for the taxpayer and/or POA and the address of record; and one in the closed file provided by the revenue officer(s) before shipping to Centralized Case Processing.